

ANNUAL
REPORT

ANCHOR
STEEL & CONVEYOR COMPANY



YEAR ENDED DECEMBER 31, 1962

Staff

TED HEGELMAN <i>Sales Manager</i>	E. BRUCE MUMFORD <i>Sales Engineer</i>	MIKE MICHAELS <i>Sales Engineer</i>
JOHN W. KOSTYO <i>Sales Engineer</i>	C. DOUGLAS SMITH <i>Merchandise Sales</i>	R. BRUCE PREBLE <i>Sales Engineer and Product Development</i>
ADE CZARNECKI <i>Chief Engineer</i>	PHILIP PETERS <i>Chief Electrical Engineer</i>	WENDELL LOSEY <i>Applications Engineer</i>
WM. SEDOR <i>Manufacturing Manager</i>	THANE GILLESPIE <i>Shop Superintendent</i>	HARRY VANCORE <i>Shop Superintendent</i>
HAROLD QUINN <i>Director of Purchases</i>	WILLIAM WEBSTER <i>Office Manager</i>	GEORGE GARRISH <i>Chief Estimator</i>

Directors

JOHN P. O'HARA	HARRY GARLAND	HENRY J. BEAM
MARSHALL I. BRENNER	F. WILLIAM SHUDE	
HAROLD A. RIETH	FRANK P. HASTINGS	
ARTHUR B. PFLEIDERER	KARL CRAWFORD	

Officers

JOHN P. O'HARA.....	<i>Chairman of the Board</i>
HARRY GARLAND.....	<i>President</i>
MARSHALL I. BRENNER.....	<i>Vice-President and General Manager</i>
F. WILLIAM SHUDE.....	<i>Secretary</i>
HAROLD A. RIETH.....	<i>Treasurer</i>

General Offices

6906 KINGSLEY AVENUE, DEARBORN, MICHIGAN

Transfer Agent

THE DETROIT BANK AND TRUST COMPANY
DETROIT, MICHIGAN

Auditors

ERNST & ERNST
DETROIT, MICHIGAN

ANCHOR STEEL & CONVEYOR COMPANY

To the Stockholders of
Anchor Steel & Conveyor Company:

The following figures show the comparative results of the operation of your Company for the calendar years 1960, 1961 and 1962:

	<u>1962</u>	<u>1961</u>	<u>1960</u>
Sales, less discounts	\$5,320,648	\$3,125,854	\$4,916,781
Operating costs and expenses:			
Cost of sales	4,773,692	2,649,610	4,165,140
Selling, general and administrative expenses	508,823	470,558	530,436
	<u>5,282,515</u>	<u>3,120,168</u>	<u>4,695,576</u>
	38,133	5,686	221,205
Other Income:			
Royalties	827	6,833	4,365
Gain on sale of fixed assets	840	1,100	1,037
Other	3,110	1,121	2,515
	<u>4,777</u>	<u>9,054</u>	<u>7,917</u>
	42,910	14,740	229,122
Other deductions, interest, etc	<u>67,098</u>	<u>25,914</u>	<u>36,493</u>
Net income (loss)	(24,188)	(11,174)	192,629
Retained earnings:			
Balance at beginning of year	120,930	132,104	(60,525)
Inventory devaluation 1962	(40,000)		
Balance at end of year	<u>\$ 56,742</u>	<u>\$ 120,930</u>	<u>\$ 132,104</u>

Although the sales volume in 1962 was at a relatively high level, the resulting profits were unsatisfactory. These unsatisfactory profits resulted primarily from unusually high costs of installing our equipment in certain areas of the country.

The present management assumed its duties in early October 1962. Since that time many changes have been made and economies effected, all of which we feel will improve the operation of the Company as well as the service it renders to customers. All phases of the operation of our business have undergone study to enable us to compete more effectively. We believe that in the future we will be more competitive and yet show materially improved profits from our operation.

The backlog of business on our books at December 31, 1962 was in excess of \$2,000,000. This is the highest backlog which the Company has enjoyed in some time. This backlog and the new orders taken since the first of the year give every indication that the Company will be operating at capacity throughout the year and there is every indication of a profitable result.

For the Board of Directors,

HARRY GARLAND

President

April 16, 1963

ERNST & ERNST

ACCOUNTANTS' REPORT

Board of Directors
Anchor Steel & Conveyor Company
Dearborn, Michigan

We have examined the balance sheet of Anchor Steel & Conveyor Company as of December 31, 1962. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet presents fairly the financial position of Anchor Steel & Conveyor Company at December 31, 1962, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Ernst & Ernst

Detroit, Michigan
April 3, 1963

Sales Offices

IMC EQUIPMENT, INC.

3133 Maple Dr.
Atlanta 5, Georgia

TOWNE INDUSTRIAL CORP.

1456 Niagara Falls Blvd.
Tonawanda, New York

J. W. WILTSIE CO.

1000 Maine St.
South Portland, Maine

TED NAGELVOORT

305 E. Winthrope Rd.
Kansas City 13, Mo.

ANCHOR STEEL & CONVEYOR COMPANY

6906 Kingsley Avenue

Dearborn, Michigan